

Proviso.
Not applicable to clerical-mechanical service.
Vol. 42, p. 1490.
U. S. C., p. 86.

Transfer to another position without reduction.

Higher salary rates allowed.

If only one position in a grade.

Short title.

only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service; (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such Act; (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit; (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law; or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

SEC. 4. This Act may be cited as the Legislative Branch Appropriation Act, 1937.

Approved, April 17, 1936.

[CHAPTER 234.]

AN ACT

April 17, 1936.
[H. R. 11968.]
[Public, No. 525.]

Relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

Loans for flood damage repair, etc.
Vol. 48, p. 589; U. S. C., p. 577.
Ante, p. 505.

Loans to municipalities, corporations, individuals, etc., authorized for rehabilitation purposes.

Repairs to public works, etc., damaged during 1935 or 1936.

Replacements.

Security for loans.

Collateral requirements.
Private real property.

Privately owned public utilities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act authorizing the Reconstruction Finance Corporation to make loans to nonprofit corporations for the repair of damages caused by floods or other catastrophes, and for other purposes", approved April 13, 1934, as amended, is amended to read as follows:

"That the Reconstruction Finance Corporation is authorized and empowered, through such existing agency or agencies as it may designate, to make loans to corporations, partnerships, or individuals, municipalities or political subdivisions of States or of their public agencies, including public school boards and public school districts, and water, irrigation, sewer, drainage, and flood control districts for the purpose of financing the repair, construction, reconstruction, or rehabilitation of structures or buildings, including such equipment, appliances, fixtures, machinery, and appurtenances as shall be deemed necessary or appropriate by the Reconstruction Finance Corporation, and for the purpose of financing the repair, construction, reconstruction, or rehabilitation of water, irrigation, gas, electric, sewer, drainage, flood-control, communication, or transportation systems, highways, and bridges damaged or destroyed by earthquake, conflagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1935 or 1936, and for the purpose of financing the acquisition of structures, buildings, or property, real and personal, in replacement of structures, buildings, groins, jetties, bulkheads, or property, real and personal, destroyed or rendered unfit for use by reason of the catastrophe, when such repair, construction, reconstruction, rehabilitation, or acquisition is deemed by the Reconstruction Finance Corporation to be useful or necessary, said loans to be so secured as reasonably to assure repayment thereof.

"Obligations accepted hereunder shall be collateralized—

"(a) In the case of loans for the acquisition, repair, construction, reconstruction, or rehabilitation of private real property, by the obligations of the owner of such property, secured by a lien thereon;

"(b) In case of loans for the repair, construction, reconstruction, or rehabilitation of privately owned water, gas, electric, communication, or transportation systems, by the obligations of the owners of

such water, gas, electric, communication, or transportation systems, secured by a lien thereon; and

"(c) In case of loans for the repair, construction, reconstruction, or rehabilitation of property of municipalities or political subdivisions of States or of their public agencies, including public-school boards and public-school districts, and water, irrigation, sewer, drainage, and flood-control districts, by an obligation of such municipality, political subdivision, public agency, board, or district, payable from any source, including taxation or tax-anticipation warrants.

Municipal, etc., property.

"The collateral obligations shall have maturities not exceeding ten years in case of loans made under paragraph (a) of this Act and not exceeding twenty years in case of loans under paragraphs (b) and (c) of this Act.

Maturities.

"The Corporation shall prescribe such regulations as will most effectively expedite the repair, construction, reconstruction, and rehabilitation provided for by this Act and effectively carry out the emergency-relief purposes of this Act.

Regulations.

"Notwithstanding any other provision of law, disbursement may be made at any time prior to January 23, 1939, on any commitment made by the Corporation under the terms of this Act, as amended.

Time limit for disbursement on commitments.

"The aggregate of loans made under this Act shall not exceed \$50,000,000."

Aggregate amount authorized.

SEC. 2. The title of the said Act is amended to read as follows: "An Act authorizing the Reconstruction Finance Corporation to make loans for the repair of damages caused by floods or other catastrophies¹, and for other purposes."

Title amended.

SEC. 3. Title I of the National Housing Act, as amended, is amended by inserting after section 5 thereof the following new section:

National Housing Act, amendment. Vol. 48, p. 1247; U. S. C., p. 476.

"SEC. 6. (a) The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building and loan associations, installment lending companies, and other such financial institutions, heretofore or hereafter approved by the Administrator as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit, and purchases of obligations representing loans and advances of credit, made by them subsequent to the date this section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, for the purpose of financing, by the owners of real property or by lessees thereof under a lease for a period of not less than one year, the restoration, rehabilitation, rebuilding and replacement of improvements on such real property and equipment and machinery thereon which were damaged or destroyed by earthquake, conflagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1935 or 1936, either on the same site or on a new site in the same locality where the damaged or destroyed property was located. The Administrator is authorized to grant insurance under this section to any such financial institution up to 10 per centum of the total amount of loans, advances of credit, and purchases made by such financial institution for such purpose, and any insurance reserve accumulated by any such financial institution under section 2 of this title prior to April 1, 1936, shall be applicable to the payment of any losses sustained by it as a result of loans, advances of credit, or purchases insured under this section.

Insurance of financial institutions, eligible for credit insurance, against loss.

Maximum amount.

Application of accumulated reserve to losses.

¹ So in original.

Conditions, etc., controlling grants of insurance.

"(b) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it (1) unless the loan bears such interest, has such maturity, and contains such other terms, conditions, and restrictions, as the Administrator shall prescribe in order to make credit available for the purposes of this section; and (2) unless the amount of such loan, advance of credit, or purchase is not in excess of \$2,000, except that in the case of any such loan, advance of credit, or purchase made for the purpose of such financing with respect to apartment or multiple family houses, hotels, office, business or other commercial buildings, hospitals, orphanages, colleges, schools, churches, or manufacturing or industrial plants, such insurance may be granted if the amount of the loan, advance of credit, or purchase is not in excess of \$50,000."

Limit on liability incurred by Administrator.
Ante, p. 1187.

SEC. 4. (a) The third sentence of subsection (a) of section 2 of the National Housing Act, as amended, is amended to read as follows: "The total liability incurred by the Administrator for all insurance heretofore and hereafter granted under this section and section 6 shall not exceed in the aggregate \$100,000,000."

Ante, pp. 722, 1188.

Waiver of regulations authorized.

(b) Section 2 of such Act, as amended, is further amended by adding at the end thereof the following new subsection:

"(e) The Administrator is authorized to waive compliance with regulations heretofore or hereafter prescribed by him with respect to the interest and maturity of and the terms, conditions, and restrictions under which loans, advances of credit, and purchases may be insured under this section and section 6, if in his judgment the enforcement of such regulations would impose an injustice upon an insured institution which has substantially complied with such regulations in good faith and refunded or credited any excess charge made, and where such waiver does not involve an increase of the obligation of the Administrator beyond the obligation which would have been involved if the regulations had been fully complied with."

No increase in obligation.

Approved, April 17, 1936.

[CHAPTER 238.]

AN ACT

April 20, 1936.

[H. R. 6544.]

[Public, No. 526.]

To conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, California, by the withdrawal of certain public land, included within the Santa Barbara National Forest, California, from location and entry under the mining laws.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the public lands of the United States, within the boundaries of the Santa Barbara National Forest, located in the State of California and hereinafter described, are hereby withdrawn from location or entry under the mining laws of the United States:

All Government lands in sections 29, 30, 31, 32, and 33, township 7 north, range 24 west, San Bernardino meridian.

All Government lands in sections 7, 8, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, township 7 north, range 25 west, San Bernardino meridian.

All Government lands in sections 7 to 36, inclusive, township 7 north, range 26 west, San Bernardino meridian.

All Government lands in sections 1 to 36, inclusive, township 7 north, range 27 west, San Bernardino meridian.

All Government lands in sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36, township 7 north, range 28 west, San Bernardino meridian.

Santa Barbara National Forest, Calif.
Public lands in, withdrawn from mining entries, for conservation purposes.

Description.